



Companies of Every Size Can Capitalize on Government Incentives A Case Study on Technitrol, Inc.



Mr. Drew Moyer, Senior Vice President and CFO of Technitrol, Inc., met with the IM Group at the company's headquarters in Trevose, Pennsylvania recently to discuss how the IM Group could assist Pulse, Technitrol's electronic components business, with an operations challenge.



With over 50 years of experience in electronic components and a global customer base, Technitrol and Pulse were intent on leveraging existing infrastructure to better serve their Military/Aerospace customers. Pulse was running two military/aerospace component operations: one in Bristol, PA and the other in Greensboro, MD. Each performed similar functions with significant redundancies and inefficiencies. With substantial customers such as Honeywell, Lockheed Martin, BAE Systems, General Dynamics and Northrop Grumman, Pulse knew that consolidation into one center of excellence needed to happen quickly, cost effectively and with a smooth transition.

All products would be assembled, tested and shipped from the new facility. To achieve the single center of excellence, Pulse would add an additional 50 new jobs and \$250,000 in new equipment and fit out costs to the selected facility.

The IM Group's responsibilities were to identify and then secure all financial benefits and incentives that would be offered by state and local governments in Pennsylvania and Maryland.

The IM Group worked closely with the management teams at both Pulse and Technitrol to develop a benefits and incentives strategy. Opportunities to achieve maximum benefits in both Pennsylvania and Maryland were evaluated. The IM Group, on behalf of Pulse, pursued obtaining incentives based upon the strategy and plan developed. Over the course of a couple of months various incentives, grants and tax credits were obtained by the IM Group for Pulse at the state and local levels.

After evaluations on many levels, Pulse decided to move the business to Pennsylvania. The Pennsylvania incentive package obtained for Pulse included the following:

- Opportunity Grant Programs of \$25,000
- WED Net Training \$28,000
- Customized Training Grant for \$30,000
- Jobs Creation Tax Credits \$50,000

The total award of \$133,000 was equivalent to \$2,660 per job created. This was considered an attractive offer for the addition of 50 jobs at an existing facility.

Dennis Yablonsky, Pennsylvania's Secretary of Community and Economic Development Commented; "Governor Rendell is committed to making Pennsylvania an economic leader by investing in businesses like Pulse."

And Drew Moyer noted, "The Commonwealth of Pennsylvania's incentive offer really helped us with our decision to consolidate our Pulse Military/Aerospace facility into Bristol. In the process of researching and acquiring this offer we developed a great relationship with the Commonwealth. We would not have pursued this opportunity had we not had a strong relationship with the IM Group."